

REMARKS

In the November 7, 2008 Office Action, claims 1-20 stand rejected in view of prior art. Claims 1, 2, 5, 7, 11, 13, 15, 17, and 19 also were rejected for failing to indicate and claim particularly and distinctly the subject matter that Applicants regard as the invention. No other objections or rejections were made in the Office Action.

Status of Claims and Amendments

In response to the November 7, 2008 Office Action, Applicants have amended claims 1, 2, 5, 7, 11, 13, 15, 17, and 19 as indicated above. Applicants wish to thank the Examiner for the examination of this application. Thus, claims 1-20 are pending, with claims 1, 2, and 7 being the only independent claims. Reexamination and reconsideration of the pending claims are respectfully requested in view of above amendments and the following comments.

Claim Rejections - 35 U.S.C. §112

In item 2 of the Office Action, claims 1, 2, 5, 7, 11, 13, 15, 17, and 19 were rejected under 35 U.S.C. §112, second paragraph. In response, Applicants have amended claims 1, 2, 5, 7, 11, 13, 15, 17, and 19 to clarify them.

Specifically, Applicants have amended these claims in accordance with the suggestions in the Office Action. More specifically, Applicants have amended claims 1, 2, and 7 to recite that the refrigerant enters the heat source exchanger at a position on the lower portion of the heat source heat exchanger, and leaves the heat source heat exchanger from a position on the upper portion of the heat source heat exchanger when the heat source heat exchanger functions as an evaporator of the refrigerant. Further, Applicants have amended claims 1 and 2 to recite that an oil recovery operation is configured to be temporarily conducted by causing the refrigerant discharged from the compression mechanism to be bypassed to the intake side of the compression mechanism via the first bypass circuit, causing

the heat source heat exchanger to function temporarily as a condenser. Even further, Applicants have amended claims 1 and 2 to recite that a first bypass circuit that selectively conducts the refrigerant discharged from the compression mechanism to an intake side of the compression mechanism. Finally, Applicants have amended claims 5, 11, 13, 15, 17, and 19 to recite that water is supplied at a constant flow rate.

Applicants believe that the claims now comply with 35 U.S.C. §112, second paragraph. Withdrawal of the rejections is respectfully requested.

Rejections - 35 U.S.C. § 103

In item 4 of the Office Action, claims 1-4 and 7-10 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,046,323 (Kuwahara) in view of Japanese Laid-Open Patent Publication S63-204074 (Miyake et al.). In item 5 of the Office Action, claims 5, 11, 13, 15, 17, and 19 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Kuwahara in view of Miyake et al. and further in view of *Handbook of Air Conditioning and Refrigeration* (Wang). In item 6 of the Office Action, claims 6, 12, 14, 16, 18, and 20 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Kuwahara in view of Miyake et al., presumably, and further in view of *HVAC Systems and Components Handbook* (Grimm). In response, Applicants have amended independent claims 1, 2, and 7 as mentioned above.

More specifically, independent claims 1, 2, and 7 now recite that the oil returning circuit is arranged in a unit with the heat source heat exchanger and compression mechanism separate from the units having the plurality of utilization heat exchangers, and that the oil returning circuit is configured to return oil from the heat source heat exchanger to the compression mechanism within the unit. In contrast to claims 1, 2, and 7 of the present

application, referring to Figure 1 of Kuwahara, Applicants respectfully asserts that Kuwahara discloses that the oil returning circuit, identified in the Office Action as 3a, is configured to return oil to the compressor 1 from the heat source heat exchanger, identified in the Office Action as 5, via the heat exchanger 44 and not within the unit A. See column 11, line 55 to column 12, line 35 of Kuwahara.

Applicants respectfully assert that Miyake et al. are cited to show the refrigerant flows in from below and flows out from above when the heat source heat exchanger functions as an evaporator of the refrigerant, and fail to overcome the deficiency of Kuwahara. Thus, Applicants respectfully assert that the combination fails to disclose or to suggest the recited structure of claim 1, 2, or 7 of the present application.

Applicants respectfully assert that Wang is cited to show a water-source heat pump and fails to overcome the deficiency of Kuwahara and Miyake et al. Further, Applicants respectfully assert that Grimm is cited to show plate and frame heat exchangers and fails to overcome the deficiency of Kuwahara and Miyake et al.

Applicants respectfully assert that this arrangement is not disclosed or suggested by the prior art of record individually or in combination. It is well settled in U.S. patent law that the mere fact that the prior art can be modified does not make the modification obvious, unless the prior art provides an apparent reason for the desirability of the modification. Accordingly, the prior art of record lacks any apparent reason, suggestion or expectation of success for combining the patents to create the Applicants' unique arrangement.

Moreover, Applicants believe that dependent claims 3-6 and 8-20 are also allowable over the prior art of record in that they depend from independent claims 1, 2, and 7, and therefore are allowable for the reasons stated above. Also, the dependent claims are further

allowable because they include additional limitations. Thus, Applicants believe that since the prior art of record does not disclose or suggest the invention as set forth in independent claims 1, 2, and 7 the prior art of record also fails to disclose or suggest the inventions as set forth in the dependent claims.

Therefore, Applicants respectfully request that this rejection be withdrawn in view of the above comments and amendments.

Prior Art Citation

In the Office Action, an additional prior art reference was made of record. Applicants believe that this reference does not render the claimed invention obvious.

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In view of the foregoing amendment and comments, Applicants respectfully assert that claims 1-20 are now in condition for allowance. Reexamination and reconsideration of the pending claims are respectfully requested.

Respectfully submitted,

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